

NOTICES OF RULEMAKING DOCKET OPENING

The Administrative Procedure Act (APA) requires the publication of Notices of Rulemaking Docket Opening when an agency opens a rulemaking docket to consider rulemaking. Under the APA effective January 1, 1995, agencies must submit a Notice of Rulemaking Docket Opening before beginning the formal rulemaking process.

NOTICE OF RULEMAKING DOCKET OPENING

OFFICE OF THE SECRETARY OF STATE

Editor's Note: The following Notice of Rulemaking Docket Opening was exempt from Executive Order 2012-03 as issued by Governor Brewer. (See the text of the executive order on page 2772.)

[R14-155]

- 1. Title and its heading:** 1, Rules and the Rulemaking Process
Chapter and its heading: 1, Secretary of State - Rules and Rulemaking
Articles and their heading: 1, General Provisions
Section numbers: R1-1-102 (*Sections may be added, deleted or modified as necessary.*)
- 2. The subject matter of the proposed rule:**
This docket opening is being prepared under a petition request to create a new Title in the *Arizona Administrative Code*. A letter petitioning the Office of the Secretary of State was received on August 7, 2014 [File No. M14-220] from the Arizona Department of Child Safety to add a Title to the *Arizona Administrative Code*.
The Office of the Secretary of State will propose to repeal the *Arizona Administrative Code* codification scheme in rule.
- 3. A citation to all published notices relating to the proceeding:**
Notice of Proposed Rulemaking: 20 A.A.R. 2743, October 10, 2014 (*in this issue*).
- 4. The name and address of agency personnel with whom persons may communicate regarding the rule:**
Name: Scott Cancelosi
Director, Public Services Division

Address: Office of the Secretary of State
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Phoenix, AZ 85007

Telephone: (602) 542-0223
Fax: (602) 542-4366
E-mail: scancelosi@azsos.gov
- 5. The time during which the agency will accept written comments and the time and place where oral comments may be made:**
Written comments will be accepted at the Office, Monday through Friday from 8 a.m. to 5 p.m., except for state holidays.
- 6. A timetable for agency decisions or other action on the proceeding, if known:**
The Office of the Secretary of State has initiated this rulemaking within the 60-day time period as stated under A.R.S. § 41-1033.

NOTICE OF RULEMAKING DOCKET OPENING

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM (AHCCCS)

ADMINISTRATION

Editor's Note: The following Notice of Rulemaking Docket Opening was reviewed per Executive Order 2012-03 as issued by Governor Brewer. (See the text of the executive order on page 2772.) The Governor's Office authorized the notice to proceed through the rulemaking process on August 8, 2014.

[R14-153]

- 1. Title and its heading:** 9, Health Services
Chapter and its heading: 22, Arizona Health Care Cost Containment System - Administration
Article and its heading: 10, First- and Third-party Liability and Recoveries

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Section numbers:

R9-22-1001 through R9-22-1003 (As part of this rulemaking, the Administration may add, delete, or modify Sections as necessary.)

2. The subject matter of the proposed rule:

The Administration is conducting a rulemaking necessary to conform AHCCCS rules to federal requirements regarding the obligation of health care providers to bill other insurance (when it is known to exist) before billing AHCCCS. With some exceptions, providers must bill legally liable third parties (like private insurance) before billing AHCCCS. However, federal regulations state that in certain circumstances – such services provided to children and pregnant women – AHCCCS must pay the provider then AHCCCS or its contractors must seek reimbursement from the third party. In addition, there are a few federal exception to the general rule that AHCCCS is the payor of last resort; for example, AHCCCS must assume primary responsibility for payment for services covered through the Indian Health Service or medical services that are provided through schools under the federal Individuals with Disabilities Education Act.

3. A citation to all published notices relating to the proceeding:

Notice of Proposed Rulemaking: 20 A.A.R. 2745, October 10, 2014 (in this issue).

4. The name and address of agency personnel with whom persons may communicate regarding the rule:

Name: Mariaelena Ugarte
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Office of Administrative Legal Services
701 E. Jefferson, Mail Drop 6200
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Telephone: (602) 417-4693
Fax: (602) 253-9115
E-mail: AHCCCSrules@azahcccs.gov

5. The time which the agency will accept written comments and the time and place where oral comments may be made:

The Administration will accept written comments Monday through Friday, 8 a.m. to 5 p.m., at the address indicated in question #4. Public hearings will be scheduled later to provide a forum for interactive discussion with interested parties. E-mail comments will be accepted.

6. A timetable for agency decisions or other action on the proceeding, if known:

See the Notice of Proposed Rulemaking on page 2745 of this issue.

NOTICE OF RULEMAKING DOCKET OPENING

CORPORATION COMMISSION - FIXED UTILITIES

Editor's Note: The following Notice of Rulemaking Docket Opening was exempt from Executive Order 2012-03 as issued by Governor Brewer. (See the text of the executive order on page 2772.)

[R14-157]

1. Title and its heading:

14, Public Service Corporations; Corporations and Associations;
Securities Regulation

Chapter and its heading:

2, Corporation Commission - Fixed Utilities

Article and its heading:

18, Renewable Energy Standard and Tariff

Section numbers:

R14-2-1805 and R14-2-1812

2. The subject matter of the proposed rule:

The proposed rule changes will clarify and update how the Commission deals with renewable energy compliance and related renewable energy credits ("RECs"). The Commission's Renewable Energy Standard and Tariff ("REST") rules have not been updated since they were approved by the Commission in Decision No. 69127 (November 14, 2006). Since this decision, the renewable energy marketplace has changed dramatically. The existing REST rules require the utility to serve a growing percentage of its retail sales each year via renewable energy, with a carve-out for distributed energy ("DE"). The rules were predicated on utilities acquiring RECs to achieve compliance. In the DE market, RECs were acquired by the utility when the utility gave the entity installing the renewable energy system an incentive. In recent years some utilities have seen their incentives eliminated as market conditions have changed. This led to utilities seeking guidance from the Commission as to how they should demonstrate compliance with the DE portion of the REST rules when the transaction REC acquisition was predicated upon is no longer occurring. This issue was explored in great detail in the context of the utilities 2013 annual renewable energy implementation plans as well as in the proceeding that culminated in Commission Decision No 74365 on February 26, 2014 (Docket Nos. E-01345-10-0394, etc.). Decision No. 74365 required the Commission Staff to propose new rules to the Commission. Staff made its filing, offering a number of options for the Commission to consider. At its September 9, 2014 Open Meeting, the Commission in Decision No. 74753 in Docket No. RE-00000C-14-0112, ordered Staff to file a Notice of Proposed Rulemaking which seeks comment on the attached changes to the REST rules intended to address the issue

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of utility compliance in the DE market in a post-incentive era. Absent action by the Commission on this issue, it is unclear how utilities who are no longer offering DE incentives would demonstrate compliance with the REST rules' DE requirements. This is not a critical issue for some utilities in their residential DE and/or commercial DE segments, as they are far ahead of current compliance goals. However, not all residential DE and commercial DE segments for affected utilities are ahead in compliance and thus it is necessary for the Commission to provide a new framework for considering compliance with the rules.

The agency docket number, if applicable:

RE-00000C-14-0112

3. A citation to all published notices relating to the proceeding:

Notice of Proposed Rulemaking: 20 A.A.R. 2749, October 10, 2014 (*in this issue*).

4. The name and address of agency personnel with whom persons may communicate regarding the rule:

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5. The time during which the agency will accept written comments and the time and place where oral comments may be made:

A public meeting will be held on November 12, 2014, beginning at 1:00 p.m., at the Commission's Tucson office, 400 W. Congress, Room 222, Tucson, AZ 85701 and on November 14, 2014, at 10:00 a.m., in the Phoenix offices of the Commission located at 1200 W. Washington, Hearing Room 2, Phoenix, AZ 85007. The Hearing Division requests initial written comments be received on or before November 10, 2014, and that responsive comments be received on or before November 14, 2014. Please reference docket number RE-00000C-14-0112 on all documents.

6. A timetable for agency decisions or other action on the proceeding, if known:

The Commission will likely bring this to Open Meeting for final approval in December, 2014.